CY 2013 Out-of-Pocket Cost (OOPC) Model

March 28, 2012

What is OOPC?

- OOPC stands for Out-of-Pocket-Costs.
- A plan's OOPC value is the monthly out-of-pocket costs for the average Medicare beneficiary based on utilization captured in the Medicare Current Beneficiary Surveys (MCBS) and applied to the Plan Benefit Package (PBP) and formulary (if applicable).

Purpose

- CMS uses the OOPC values to evaluate annual bid submissions for meaningful difference and total Beneficiary Cost (TBC).

- The OOPC Model is a tool for plans to run various benefit structures through the software to calculate an OOPC value.

- Plans will use their own CY 2013 PBP and formulary data in the software.

- The model being released is a modified version of the code used to generate the OOPC values for the Medicare Plan Finder.

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Overview

- The OOPC model will be posted on the CMS website at: http://www.cms.gov/PrescriptionDrugCovGenIn/10_OOPCResources.asp#TopOfPage

- The model package (**OOPC2013PLANV1.ZIP**) consists of a set of input datasets (SAS transport format) and a series of SAS programs.

- Plans will download the OOPC Model and follow directions for copying the SAS programs and data that serve as other inputs.

- Plans will make minor edits and execute several small SAS programs.

- SAS programs import PBP, formulary, and other input data, calculate person/plan-level costs, summarize costs to the plan level, and output a plan-level Excel file.

Resource Requirements

- The OOPC Model user should be familiar with PC file management and have experience with PC SAS.
- Requires a PC with a fast processor and at least 3GB of RAM and is preferred.
- PC SAS (Version 9.1 or later), Excel and Access.
- Although, generation of the OOPCs is inherently time-consuming, OOPC SAS code as been optimized to run fairly efficiently.
- Processing requires running about 12,000 sample beneficiaries and their health care utilization through plan benefits.

Input Datasets Included in the Model

- SAS datasets are created from the 2006/2007 MCBS survey containing beneficiary characteristics and their Medicare utilization.

- Other SAS datasets:
  - formulary reference files
  - drug names
  - cross-reference files

Plan Provided Datasets

- Datasets that plans need to provide:
  - Plan list
  - PBP data
  - Drug Formulary data

Plan Provided Input Datasets: Plan List

- File name: **PLANFILE.TXT**
- This is a text file that lists the plans to be used for each calculation of OOPCs.
- Format: contract id, plan id, segment id
- Example:

  H9999001000

  H9998002000

  S9999001000

  S9998001000

  S9997002000

Plan Provided Input Datasets: PBP Data

- Plans use PBP software to enter their data for bid submission.

- CY2013 version of PBP software will be available in HPMS April 9, 2012.

- PBP data are automatically stored in an Access database. Tables that are created using the PBP system are read by the SAS program.

Plan Provided Input Datasets: Drug Formulary Data

- Plans with Part D benefits must provide three files that describe their formulary.
- File name: **FORMULARY.TXT**
- This is a tab-delimited file that lists the drugs for each plan formulary.
- Format: formulary identifier, RXCUI, and a Tier level identifier (1-6).
- Example:

  00013990 72036 1
  00013991 72037 1
  00013992 72080 2
  00013993 72046 3

Plan Provided Input Datasets: Drug Formulary Data

- File name: **GAP_DRUGS.TXT**
- This is a tab-delimited file of all plans and the RXCUIs for each plan with partial tier gap coverage.
- Format: contract id, plan id, RXCUI
- Example:

  H9999001 72036
  H9999001 72037
  S9999001 72046
  S9999001 72058

Plan Provided Input Datasets: Drug Formulary Data

- File name: **PLAN_FORMULARY.TXT**
- This is a tab-delimited file that lists all plan and formulary relationships.
- Format: contract id, plan id, formulary id
- Example:

  H9999001 00013990
  H9998002 00013991
  H9997003 00013992
  S9999001 00013993
  S9998001 00013990

Programs Run by the Plan

- **The three main programs of the model that plans will run include:**

  - **CIMPORT.SAS:** converts SAS transport files into SAS datasets.

  - **PARTD_FORM.SAS:** converts Part D-related formulary files into SAS.

  - **OOPCV1P.SAS:** supplies user-defined parameters needed to run the OOPC Model.

OOPC Changes
from 2012 to 2013

- Changes in the PBP that allow for Inpatient Acute and Inpatient Psychiatric hospital tiering are incorporated.

- Pulmonary Rehabilitation and Diabetes Education are two new categories.

- Preventive and Comprehensive dental are now two separate categories.

- Discounts in the gap for generic and brand gap coverage are increased.

- Brand/Generic mapping methodology has been updated to include FDA drug approval information.

Instructions for Creating OOPCs

Step 1: Create an Access database for plans using PBP software.

Step 2: Create a text file (**PLANFILE.TXT**) that lists the plans.

Step 3: Create three text files for the plan formulary information:

- **FORMULARY.TXT**
- **PLAN_FORMULARY.TXT**
- **GAP_DRUGS.TXT**

Instructions for Creating OOPCs (continued)

Step 4:   Copy **OOPC2013PLANV1.ZIP** to a working directory and unzip contents to that directory.

Set up or point to directories:

- PBP files (example: c:\program files2013\pbp2013)
- Formulary files (example: c:\oopc\formulary)
- Output spreadsheet file (example: c:\oopc\output)
- Copy Model programs and input files to the appropriate subdirectories by unzipping Programs.zip and Input.zip.

Instructions for Creating OOPCs (continued)

Step 5: Edit the program **CIMPORT.SAS** so that the location (directory) of the input data is specified. Model programs are provided with default directory locations.

Program: **CIMPORT.SAS**

Description: Imports the input files to the OOPC Process.

- %LET DATALOC = %STR(c:\oopc\input);

Run **CIMPORT.SAS.**   Check SAS log file for errors.

Instructions for Creating OOPCs (continued)

<u>Step 6:</u> Import the **FORMULARY.TXT**, **PLAN_FORMULARLY.TXT** and **GAP_DRUGS.TXT** files by editing the **PARTD_FORM.SAS** program.

Program: **PARTD_FORM.SAS**;

Description: Creates SAS files for three tab-delimited files;

- %LET DIR =C:\OOPC\formulary;
- %LET FORMFILE = FORMULARY.TXT
- %LET PLANFORM = PLAN_FORMULARY.TXT
- %LET GAPDRUGS = GAP_DRUGS.TXT

Run **PARTD_FORM.SAS.** Check SAS log file for errors.

Note: Once import/data preparation steps have been completed, they do not need to be repeated unless changes are made to the formulary.

Instructions for Creating OOPCs (continued)

Step 7: Edit the program **OOPCV1P.SAS** to indicate the main directory for SAS programs and input files, and location and name of the output spreadsheet file.

Program: OOPCV1P.SAS;

Description: Main OOPC program;

- %LET INPUTDIR = c:\oopc\input;
- %LET PROGDIR = c:\oopc\programs;
- %LET PBPDIR = c:\program files\pbp2013;
- %LET FORMDIR = c:\oopc\formulary;
- %LET OUTPUT = c:\oopc\output;

- ……………
- OOPC   = &OUTPUT.OOPC_RUN&file_date.xls);

Run **OOPCV1P.SAS**. Check SAS log file for errors.

Contents of the Output File

- The estimated average monthly cost for the plan/segment will display by PBP-based benefit category.
- **Total** displays the sum of the categories, excluding **Part D.**
- **PartD** displays the Part D monthly cost estimate.
- **Grand_Total** displays the sum of all categories
- **PBP_Version_Date** displays PBP version date

Contents of the Output File Example

CONTR	PLAN	SEGM	ORG	PLAN_	YEAR	Inpati	Psych	Physic	Lab	Durabl	Medicar	Preven	Compre	Eye_Exa	Plan_De	Total	PartD	Grand_T	PBP_Vr_Dt
H9999	001	000	Org 1	Plan 1	2013	30.261	0.4767	1.0803	0	3.8423	0.52878	23.701	0.0038	0	11.66	128.95	98.682	227.63	04/15/2012
H9998	002	001	Org 2	Plan 2	2013	34.789	0.6128	1.3943	0	3.9978	0.52878	32.856	0	0	0	109.96	108.56	218.51	04/15/2012
H9997	001	002	Org 3	Plan 1	2013	36.837	0.6128	1.3943	0	3.8423	0	23.701	0.0038	0	0	109.96	98.682	208.64	04/15/2012
H9996	001	005	Org 4	Plan 1	2013	30.261	0.4767	1.0803	0	3.8423	0.52878	32.856	0.0038	0	10.09	109.96	98.682	208.64	04/15/2012
S9999	001	000	Org 5	Plan 1	2013												120.27	119.59	04/15/2012
S9998	010	000	Org 6	Plan 10	2013												96.166	96.166	04/15/2012

Rerunning the Model

- Plans have the ability to rerun the model.

- After changing input files, Rerun **OOPCV1P.SAS**, changing the Excel output file name.

- **Change Plan Benefits for a Plan**: Rerun PBP data entry.

- **Change Plans:** Rerun PBP data entry, change plan and formulary files.

- **Change Formulary files/Same plan**: Change formulary files.

Documentation

- The OOPC model and supporting documentation will be provided on the CMS website on the "OOPC Resources" page: http://www.cms.gov/PrescriptionDrugCovGenIn/10_OOPCResources.asp#TopOfPage

- Information to be included:
  - OOPC methodology document
  - 2013 OOPC SAS Model
  - 2013 OOPC Model User's Guide
  - CMS Points of Contact

Plan Resources – Points of Contact

- For Part C policy related questions about meaningful difference and Total Beneficiary Cost (TBC), contact: https://mabenefitsmailbox.lmi.org/

- For Part D policy related questions about meaningful difference, email: partdbenefits@cms.hhs.gov

- For technical questions about the Bid Pricing Tool, email: actuarial_bids@cms.hhs.gov

- For technical questions about the OOPC model, email: OOPC@cms.hhs.gov

Questions & Answers

- Q: If a plan has no benefit changes between CY 2012 and CY 2013, would the OOPC value be the same for both years?

- A: No. Changes to the PBP structure, the OOPC model code, and formulary drugs will generate changes in the OOPC value.